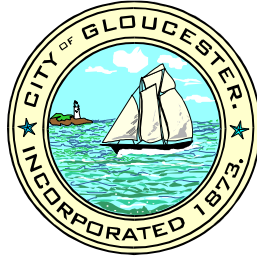


3 Pond Road  
Gloucester, MA 01930



Telephone: 978-282-3027

Fax: 978-282-3035

**CITY OF GLOUCESTER**  
**COMMUNITY DEVELOPMENT DEPARTMENT**  
**GRANTS OFFICE**

**HOUSING REHABILITATION PROGRAMS**

The Housing Rehabilitation Programs through the Grants Office of the City of Gloucester, offers deferred and low interest loans to **owner occupied homeowners, and investment property** (1- 4 units).

Funding is provided by the U.S. Department of Housing and Urban Development through the Community Development Block Grant Program. **The Housing Rehabilitation Program will provide assistance in eliminating code violations, serious health and safety issues which DO NOT disturb lead paint. If you have a lead certificate or your home was built after 1978 you will also qualify.**

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**OWNER OCCUPIED PROGRAMS & QUALIFICATIONS**

High Priority – Owner occupied multi family

Moderate Priority – Owner occupied single family

1. Property must be owner occupied
2. Property owner and/or tenant income MUST fall within HUD Income Guidelines (see attached).
3. Deferred and Low Interest Loans available depending on income bracket (0% or 3%)

**INVESTOR PROGRAM & QUALIFICATIONS**

Low Priority – Investor Property – 1 to 4 units

The Grants Office will provide a five percent (5%) interest loan for a term of up to fifteen (15) years to assist investors of residential rental properties.

To qualify:

- a. 51% of all tenants must meet the HUD Income Guidelines
- b. Each tenant must fill out a tenant application form
- c. Investor will sign affordability Housing Restriction Agreement with the City of Gloucester

## GENERAL PROGRAM INFORMATION

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- The owner will obtain 3 bids and select the most capable contractor.
- You will be required to sign an Owner/City Contract & Mortgage.
- A mortgage lien will be recorded at the Southern Essex District Registry of Deeds. A \$175 recording fee will be required made payable to the Registry of Deeds and will be your responsibility.
- All loans are payable in full upon sale, title transfer or refinancing with cash out.
- The Rehabilitation Specialist will periodically inspect the work; however, the owner is encouraged to manage the project.
- Payments are made to the homeowner upon receipt of an invoice and approval of work by the Rehabilitation Specialist.
- This office follows the guidelines of the Uniform Relocation Act of 1970. No tenant will be evicted due to rehab efforts funded by the CDBG Programs. If it's necessary for a tenant to be temporarily relocated, the owner will provide a "decent, safe & sanitary temporary unit".
- If applicable, all units must remain "affordable" for a period of 15 years. The owner agrees to rent rehabilitated units with no more than 10% annual increases allowable up to maximum of HUD Fair Market Rents. The owner will sign an Affordable Housing Restriction Rental Unit agreement with the City of Gloucester to insure compliance. All units will be monitored on a yearly basis.
- **NO** loans will be processed if there are any outstanding city fees or property taxes.
- If work has already begun, you may not participate in program.
- If project is too cost prohibitive, the Grants Office reserves the right to refuse the application.

**Hearing Relay Operator #1-800-439-2370**

## APPLICATION FOR ASSISTANCE CHECKLIST

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- Completed Application for Rehabilitation Assistance
  - Income Documentation:
    - Employed: Twelve (12) weeks of pay stubs for all members of the household over the age of 18 who are working
    - Self-employed: Last two years of federal tax returns (1040 form)
    - Unemployed: Copy of unemployment check. Letter from unemployment office stating start date and amount of assistance.
    - Social Security: Copy of most recent check or letter from Social Security Office stating amount of benefit(s)
    - Public Assistance: Copy of check as well as letter from welfare office stating amount of assistance
    - Pension/Disability: Copy of latest check and letter from company or Social Security stating amount of benefits
    - Rental Income: Copy of two months rent receipts
    - Full Time Students: Letter from school stating current full time enrollment status
  - Copies of the last two most recent years of federal tax returns (1040 form)
  - Copy of Property Deed
  - If property is mortgaged, copy of most recent mortgage statement
- 

### **If applying for multi units (1-4), please include the additional information:**

- Completed Tenant Application(s)
- Copy of rental/lease agreement (if applicable)
- Utility bills for last 2 months (gas, electric or cable)

## HOUSING REHABILITATION PROGRAM APPLICATION FOR ASSISTANCE

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Instructions: Please complete all items on this application. If the information requested does not apply to you, please write "not applicable" or "n/a". Should you require assistance in filling out this application, please contact, Debbie Laurie, at the Grants Office. 978 282-3027 or email at [dlaurie@gloucester-ma.gov](mailto:dlaurie@gloucester-ma.gov)

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### APPLICANT(S) INFORMATION:

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Applicant Name: \_\_\_\_\_ Co-Applicant Name: \_\_\_\_\_

Social Security #: \_\_\_\_\_ Social Security #: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_

Home Phone: \_\_\_\_\_ Home Phone: \_\_\_\_\_

Cell: \_\_\_\_\_ Cell: \_\_\_\_\_

Marital Status: \_\_\_\_\_ Marital Status: \_\_\_\_\_

Number of Persons in Household \_\_\_\_\_ (list names, ages and relationship below)

Name: Age: Relationship:


Have you previously received assistance through the City of Gloucester's rehabilitation program within the last four years? Yes \_\_\_\_ No \_\_\_\_

If yes, please provide year(s) and type of assistance that was received.

Type: \_\_\_\_\_ Year: \_\_\_\_\_

SOURCES OF INCOME:

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A. Employment Information

Please complete this section for all household members age 18 and over. You must include both full and part time employment. (Please list additional employers on a separate sheet if necessary)

1. Name \_\_\_\_\_  
Employer \_\_\_\_\_  
Employer Address \_\_\_\_\_  
Employer Telephone \_\_\_\_\_ Date of Hire \_\_\_\_\_  
Position Held \_\_\_\_\_ # of Hrs Wkd \_\_\_\_\_ Hourly Wage \_\_\_\_\_  
Annual Earnings (including overtime, bonuses, tips, etc): \_\_\_\_\_

2. Name \_\_\_\_\_  
Employer \_\_\_\_\_  
Employer Address \_\_\_\_\_  
Employer Telephone \_\_\_\_\_ Date of Hire \_\_\_\_\_  
Position Held \_\_\_\_\_ # of Hrs Wkd \_\_\_\_\_ Hourly Wage \_\_\_\_\_  
Annual Earnings (including overtime, bonuses, tips, etc): \_\_\_\_\_

3. Name \_\_\_\_\_  
Employer \_\_\_\_\_  
Employer Address \_\_\_\_\_  
Employer Telephone \_\_\_\_\_ Date of Hire \_\_\_\_\_  
Position Held \_\_\_\_\_ # of Hrs Wkd \_\_\_\_\_ Hourly Wage \_\_\_\_\_  
Annual Earnings (including overtime, bonuses, tips, etc): \_\_\_\_\_

B. Other Sources of Income

<u>Source</u>	<u>Amount Received/Month</u>	<u>Amount Received/Year</u>
Social Security:	\$ _____	\$ _____
SSI Benefits:	\$ _____	\$ _____
Pension:	\$ _____	\$ _____
V.A. Benefits	\$ _____	\$ _____
Retirement:	\$ _____	\$ _____
Disability Income:	\$ _____	\$ _____
Welfare:	\$ _____	\$ _____
Worker's Compensation	\$ _____	\$ _____
Unemployment:	\$ _____	\$ _____
Alimony:	\$ _____	\$ _____
Child Support:	\$ _____	\$ _____
Rental Income:	\$ _____	\$ _____

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PROPERTY INFORMATION

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Address of property to be rehabilitated: \_\_\_\_\_

Owner(s) of Record: \_\_\_\_\_

Owner(s) Address: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Type of Ownership: \_\_\_\_ Individual \_\_\_\_ Corporation \_\_\_\_ Partnership \_\_\_\_ Other

Length of ownership: \_\_\_\_\_ Yrs/Months      Current Appraised Value: \$\_\_\_\_\_

Number of Units: \_\_\_\_\_ How many units currently occupied: \_\_\_\_\_

Are the Real Estate and/or Water/Sewer bills paid and current? \_\_\_\_ Yes \_\_\_\_ No

Do you own or have an interest in any other real estate in or out-of-state?

\_\_\_\_ No \_\_\_\_ Yes, If so, where: \_\_\_\_\_

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REHABILITATION REQUIREMENTS

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**Extensive Rehabilitation may require a Lead Paint Certificate, please be advised.**

What year was the property built? \_\_\_\_\_

Lead Paint in the Unit(s)? Yes \_\_\_\_ No \_\_\_\_ Unknown \_\_\_\_

Has the property ever been inspected for the presence of lead paint? \_\_\_\_ Yes \_\_\_\_ No

If you answer yes, what year was the property inspected? \_\_\_\_\_ Please attach report.

Has the property been deleaded? \_\_\_\_ Yes \_\_\_\_ No

If yes, please attach a copy of the Letter of Full Deleading Compliance.

Is there a physically disabled person living in the home? \_\_\_\_ Yes \_\_\_\_ No

Does the home require modifications to allow easier access for that person?

\_\_\_\_ Yes \_\_\_\_ No

Has the property recently been cited for Code Violations that have not been corrected to date?

\_\_\_\_ Yes \_\_\_\_ No If yes, mark the code violation(s) below:

\_\_\_\_ Building \_\_\_\_ Health \_\_\_\_ Electrical \_\_\_\_ Plumbing \_\_\_\_ Fire

Please briefly describe the rehabilitation work requested (keep in mind, we only do health, safety and code issues)

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CONFLICT OF INTEREST STATEMENT

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Applicant Name: \_\_\_\_\_ Co-Applicant Name: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_

I/We certify that my/our answers to the following questions are true and accurate to the best of my/our knowledge and belief and I/we understand that the "you" includes the undersigned and the applicant for the deferred loan or interest bearing loan thereof:

1. Are you presently or have you been in the last twelve months, an employee, agent, consultant, or elected appointed official of any agency (including the City of Gloucester or the Grants Office) receiving CDBG and/or HOME funds directly or indirectly?

Applicant: \_\_\_ No \_\_\_ Yes      Co-Applicant: \_\_\_ No \_\_\_ Yes

**If you answered "No" you do not need to answer the remaining questions. Please sign below.**

2. Applicant:      Name of Agency? \_\_\_\_\_ Position: \_\_\_\_\_  
Co-Applicant:      Name of Agency? \_\_\_\_\_ Position: \_\_\_\_\_

3. Do you presently or have you in the last 12 months exercised any functions or responsibilities with respect to CDBG and/or HOME activities?

Applicant: \_\_\_ Yes \_\_\_ No      Co-Applicant: \_\_\_ Yes \_\_\_ No

4. Do you presently or have you in the last 12 months been in a position to participate in a decision making process to gain inside information regarding CDBG and/or HOME activities?

Applicant: \_\_\_ Yes \_\_\_ No      Co-Applicant: \_\_\_ Yes \_\_\_ No

5. If you answered yes to either question 3 or 4, are there factors that justify an exception to the conflict of interest provision?

Applicant: \_\_\_ Yes \_\_\_ No(explain below)      Co-Applicant: \_\_\_ Yes \_\_\_ No (explain below)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signatures:

Applicant: \_\_\_\_\_ Date: \_\_\_\_\_

Co-Applicant: \_\_\_\_\_ Date: \_\_\_\_\_

INFORMATION FOR GOVERNMENT MONITORING PURPOSES

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The following information is requested by the Federal Government for certain types of loans in order to monitor the City of Gloucester's compliance with equal credit opportunity and fair housing laws. While you are not required to supply this information, you are encouraged to do so. The law provides that lender may neither discriminate on the basis of the information, nor on whether you chose to supply it. Under Federal Regulations, the City of Gloucester is required to note race and sex on the basis of visual observation or surname. If you do not wish to furnish this information, please check the box below.

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**Applicant:**

☐ I do not wish to provide this information

**Ethnicity:**

☐ Hispanic or Latino

**Race:**

☐ White

☐ Black/African American

☐ Asian

☐ American Indian/Alaskan Native

☐ Native Hawaiian/Other Pacific Islander

☐ Am. Indian/Alaskan Native & White

☐ Asian & White

☐ Black /African Am. & White

☐ Am. Indian/Alaskan & BI/African Am.

☐ Other multi-racial

**Co-Applicant:**

☐ I do not wish to provide this information

**Ethnicity:**

☐ Hispanic or Latino

**Race:**

☐ White

☐ Black/African American

☐ Asian

☐ American Indian/Alaskan Native

☐ Native Hawaiian/Other Pacific Islander

☐ Am. Indian/Alaskan Native & White

☐ Asian & White

☐ Black /African Am. & White

☐ Am. Indian/Alaskan & BI/African Am.

☐ Other multi-racial

Sex: ☐ Female ☐ Male

Female Head of Household: ☐



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ACKNOWLEDGEMENT AND AGREEMENT

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The applicant(s) certifies that all information provided in this application is true to the best of his/her knowledge and belief and no information has been excluded, which might reasonably affect a judgment regarding the applicant's eligibility. Signing this application will give the City of Gloucester's Grant Office the right to obtain verification from any sourced named herein.

ALL APPLICANTS MUST SIGN BELOW:

PENALTY FOR FALSE OR FRAUDULENT STATEMENT U.S.C.

TITLE 18, SECTION 1001, PROVIDES

"Whoever, in any matter, within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies...or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statements or entry, shall be fined not more than \$10,000 or imprisoned not more than five (5) years or both."

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Co-Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## **SUBORDINATION POLICY NOTIFICATION**

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**General:** The primary purpose of both the Housing Rehabilitation Program and the First Time Homebuyer Program is to assist income eligible households in the rehabilitation of their property and/or in the purchase of their first home in the City of Gloucester

**Required Conditions:** THE CITY OF GLOUCESTER WILL APPROVE THOSE SUBORDINATION REQUESTS THAT:

- Do not endanger the City's equity position
- New mortgage/loan is not a home equity line of credit
- Facilitate the refinancing of an existing first mortgage balances at a lower rate of interest with no cash out

**Procedures:** Requests for subordination must be made in writing two weeks prior to the need for such subordination and must contain the following information:

- Request a subordination form, completely fill out
- Appraised value of property
- Copy of appraisal
- A \$10.00, non-refundable processing fee must be submitted with all subordination requests (checks made payable to City of Gloucester)
- 

**Denial:** Requests for subordination for **any** reason other than those stated above, particularly cash out refinancing, will not be allowed. Applicants will be notified if a request is denied and the reason shall be noted and placed in case file. **If the homeowner proceeds with the refinancing after a request has been denied the loan will be terminated and due in FULL.**

**PLEASE READ CAREFULLY BEFORE SIGNING:**

I/We have read and understand that if I/we decide to refinance the primary mortgage on the property, the city's decision to subordinate will be based on the above policy. Should I/we decide to refinance after a subordination request has been denied, we must pay to the City of Gloucester the total amount due on the loan.

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Signature of Borrower

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Date

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Signature of Borrower

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Date

**HUD INCOME GUIDELINES Effective March 19, 2009**  
**Median Family Income \$85,800**

	1 Person	2 People	3 People	4 People	5 People	6 People	7 People	8 People
Very Low (30%)	\$18,950.00	\$21,650.00	\$24,350.00	\$27,050.00	\$29,200.00	\$31,400.00	\$33,550.00	\$35,700.00
Low (50%)	\$31,550.00	\$36,100.00	\$40,600.00	\$45,100.00	\$48,700.00	\$52,300.00	\$55,900.00	\$59,550.00
Moderate (80%)	\$46,300.00	\$52,950.00	\$59,550.00	\$66,150.00	\$71,450.00	\$76,750.00	\$82,050.00	\$87,350.00

**Your Household Adjusted Gross Income must fall below the HUD Income Guidelines for eligibility in programs.**  
**Adjusted Gross Income is found on your Federal Income Tax Form #1040**

**FAIR MARKET RENTS (Includes all Utilities) Effective May 11, 2009**

Efficiency	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
\$1,080.00	\$1,146.00	\$1,345.00	\$1,609.00	\$1,767.00

\*Over 4 bedrooms add 15% per each additional bedroom.

**MAXIMUM HOME PURCHASE PRICE**  
**Effective February 10, 2006**

Single Family Home	Two Family Home	Three Family Home	Four Family Home
\$362,790.00	\$461,113.00	\$560,231.00	\$646,421.00

Grants/income guidelines (Revised May 11, 2009)